

Administration of Barack H. Obama, 2010

Remarks to the Las Vegas Chamber of Commerce and the Las Vegas Convention and Visitors Authority in Las Vegas, Nevada
February 19, 2010

Hello, everybody. Thank you. Thank you so much. Everybody, please have a seat. Thank you very much.

Well, what a extraordinary introduction from an extraordinary leader. I just want to reiterate something I said at the town hall meeting earlier. You could not have a better fighter on behalf of the people of Nevada than Senator Harry Reid. And I am just proud—I'm proud to call him a friend.

Now, a lot of people in Washington forget where they come from; Harry Reid has not. And that's something that I've always admired about Harry, ever since I first got to the Senate. He retains that honesty and decency and homespun good sense and, yes, sometimes some bluntness that he's carried with him since his boyhood in Searchlight.

We've got a number of other special guests that I just want to acknowledge. First of all, I want to thank Jim for helping to organize this. Thank you so much to Jim Murren. I want to acknowledge Congresswoman Shelley Berkley and Congresswoman Dina Titus, who are here. Assemblyman Joe Hogan is here and State senator David Parks. I want to thank the Las Vegas Asian, Henderson, Latin, North Las Vegas, and Urban Chambers. Thank you, guys, for helping to organize this—and the Las Vegas Convention and Visitors Authority.

You know, I was mentioning the fact that Harry has retained that sense of who he is, despite the extraordinary journey that he's traveled. Over the past year, under very trying circumstances for the country, I've seen something else in Harry. Harry comes across as soft-spoken, but he's made of very strong stuff. He's never been afraid to make tough decisions—even if they weren't politically popular—if they were the right decisions for his State and the right decisions for America.

And so I just want to reiterate, his leadership has made a tremendous difference, and through these economic storms, he's never lost sight of the struggles and the hardships of the people who sent him to Washington. And every Nevadan should know the strength and the character of a man that I hope and expect to serve in Washington for many years to come.

So thank you, Harry, for the great work you do. Harry also gets embarrassed when you compliment him too much. You know, he kind of—*[laughter]*—see, he looks away. *[Laughter]*

Now, before I go any further, let me set the record straight: I love Vegas! *[Applause]* There you go. Always have. Love Vegas. *[Laughter]* Enjoy myself every time I've gotten an opportunity to visit. In fact, just last night, I drew a flush on the river and cut the budget deficit in half. *[Laughter]* Some of you know I can play some poker. *[Laughter]*

Now, I did receive a little bit of heat, I know, from maybe some in this room, when I said that folks shouldn't blow their college savings in Vegas. That doesn't mean I doesn't love Vegas. It wasn't meant to be a shot. I think everybody here would agree that the only place where people should spend their college savings is in college. There's no contradiction there.

But, look, I understand how hard things have been here. In the worst economic turmoil that we've faced in generations, Las Vegas has been at the eye of the storm. When the

economy suffers, the tourism industry is deeply affected. In fact, you've seen perhaps the steepest drop in tourism in the State's history. And I know things are starting to bounce back, but it's been a tough go. When folks are hurting and don't have the money to spend on a night out or a weekend getaway, that hurts the broader economy as well. So what happens in Vegas reflects what's happening across America.

And this area has also been hit by the home mortgage crisis as hard as just about anywhere in America. And this doesn't just affect the families at risk of losing their homes, as devastating as that can be. It also affects the many more families who've lost value in their homes and the equity that makes it possible to finance a business or secure a retirement. From their peak, home prices in Las Vegas have fallen in half. This is something all of you are aware of.

And finally, Nevada has not escaped the wider devastation that's ripped through the financial markets and the economic fabric of our country as a whole, as credit became scarce and consumer spending dropped and businesses were forced to close their doors.

Today, more than one in eight people in Las Vegas can't find work. So no one needs to explain to the members of the Las Vegas Chamber of Commerce that we've been through a punishing recession, as bad as anything since 1930. The recession in 1980, '81 doesn't come close to what we've gone through over the last 2 years.

And no one needs to tell you how important it is that we remain absolutely focused on bringing about a strong recovery. Our great challenge as a country is to create the environment in which businesses can expand and hire workers, in which middle class families can find good jobs and save for the future, in which our economy is growing, and that growth is sustained and broadly shared. That's my focus, that's Harry Reid's focus: to not only rebuild this economy but to rebuild it stronger than it was before the crisis.

At the same time, standing before this group of business leaders, it's important to emphasize that there's only so much that Government can do and only so much that Government should do. Sometime in Washington it sounds a little contradictory when I hear folks say, "Obama wants to—the Government to take over the economy." Then they'll turn around and say, "Why isn't the Government doing more to create jobs?"

Now, Harry and I understand that's politics. But putting politics aside, what I believe—and what I know you believe—is that the true engine of job creation and economic expansion in this country has never been found in the Halls of Congress or in the corridors of the White House. America's economic success begins elsewhere, in more humble settings: in garages and basements and rented storefronts.

It begins when a worker decides to leave her job to be her own boss, when an inventor makes his first sale on the way to his first million, when an innovator sees a product that could be better or a service that could be provided more smartly, when an entrepreneur takes a chance on an idea that just might fail, but might also change the world.

That's the story of America, the land of opportunity, a nation where—at our best—we welcomed all those from around the world who are willing to work hard, all who are willing to take themselves as far as their talents would allow. And what has made it possible to harness the incredible productive capacity of the American people, the greatest economic force in the history of the world, has been a free market where people can pursue their dreams, their goals, and their happiness, and where you can take charge of your own destiny.

So I don't believe my role as President, the role of the Federal Government or the State government or city governments, is to stifle the free market. I think my role is to strengthen its ability to unleash that creativity and ingenuity which still makes this Nation the envy of the world.

Now, there are those who suggest that the only way Government can promote strong markets is to allow them to operate wholly outside even the most modest rules of the road, even the most sensible reforms. Many of these same folks also suggest—whether in regard to proposed consumer protections in the health insurance industry or proposed rules to prevent another financial crisis—that these kinds of policies run counter to our economic interests. And while I respect those who sincerely hold this view, the facts—and our history—do not favor this argument.

Throughout our past, there have been times when markets have fallen out of balance. And there have been periods of economic transformation and upheaval when prosperity and even basic financial security have eluded far too many citizens. And at those moments, Government has stepped in, not to supplant private enterprise, but to catalyze it, to the—create the conditions for entrepreneurs and new businesses to adapt and ultimately to thrive.

Sometimes it requires Government investment. That's why we laid railroads and highways to spur commerce and industry and stitch this Nation together. Sometimes it means making sure that there's a safety net. That's why we created Social Security while putting in place financial safeguards like the FDIC in the wake of the economic dislocations of the 1930s.

A lot of times it involves investing in our people. That's why we passed a GI bill to nurture the skills and talents of an entire generation. That's why President Kennedy pointed us to the Moon, knowing that the exploration of the skies above would lead to unimagined discoveries here on Earth.

That's how Las Vegas became Las Vegas, a balance of private enterprise but also a regulatory structure that made sure that people could come here and enjoy themselves and thrive and bring their families in an environment that was safe for them and secure.

At these moments of transformation, such efforts by Government, they don't stifle our economy; just the opposite. They've helped our economy achieve the growth that was not only more robust but more widely shared by our citizens, citizens who were in turn better able to contribute to our economy. And when we've gone without sound rules of the road and sound investments in our future, then we've risked stagnation—or worse, we've risked full-blown economic crises.

And that's where we found ourselves 1 year ago when my administration came through the door. I know sometimes we've got a short-term memory. It's one of the things that makes America great, is we don't brood about the past. But it's worth us just remembering where we were.

Five trillion dollars of Americans' household wealth evaporated in just 12 weeks as the financial markets plummeted—5 trillion. Several of the world's largest financial institutions were on the brink of collapse; some of them disappeared. Home values were in freefall; nobody knew what the floor was. Businesses could not get credit, no matter how creditworthy. Seven hundred and fifty thousand jobs were vanishing each month; more than the entire population of Vermont was losing its job every single month when I was sworn in. And the fear among economists across the political spectrum was that we were rapidly sinking into a second great depression.

So we undertook a series of difficult steps—and, frankly, some of them were unpopular, deeply unpopular—to prevent that outcome. And I was at the town hall earlier today, and I pointed out, it's not as if Harry and I don't have pollsters; we got very good pollsters, and they tell us when things are unpopular. [*Laughter*] "Don't do that!" But we thought it was important to do what was right, not what was popular.

So we acted to get lending flowing again so companies like yours could get loans to buy equipment and restock, keep your doors open, make payroll. We thought it was important for ordinary Americans to be able to finance their homes or buying a new car or going to college or starting or running a business.

We passed tax relief for small businesses and 95 percent of working families, for college students, for first-time homebuyers. We extended or increased unemployment benefits, not just to help those families, but also to make sure that there was some demand in the economy at a time when so much demand had been lost. We made health insurance 65 percent cheaper for families relying on COBRA. We acted to close State budget gaps to prevent hundreds of thousands of teachers and public school workers and firefighters and police officers from being laid off all across the country, including right here in Nevada.

And at the same time, we initiated investments to spur hiring while laying a foundation for long-term lasting growth. We doubled our capacity in renewable energy, like wind and solar. We computerized medical records to save money and lives. We provided the largest boost to medical research in history. All across the country, classrooms and school laboratories are being renovated. Roads and railways are being upgraded as part of the largest investment in infrastructure since President Eisenhower half a century ago initiated the Interstate Highway System.

Right here in Nevada, hundreds of entrepreneurs have received small-business loans. One million Nevadans have seen a tax cut. Hundreds of thousands of seniors and veterans have received emergency assistance. A quarter-million people in this State have received additional unemployment insurance. And across Nevada, there are dozens of transportation projects and energy projects and construction projects putting people to work doing the work that America needs done.

And you know what? What made all this possible was the Recovery Act, also known as the stimulus bill. Now, there are a bunch of folks out there who would tell you otherwise and would say that the Recovery Act hasn't made a difference and created a job. But, you know, facts are stubborn things. There's a famous story about a former Senator, Daniel Patrick Moynihan, who was having an argument with a fellow Senator. And the other guy wasn't doing too well in the argument, so finally, he said, "Well, I'm entitled to my own opinion." And Moynihan said, "Yes, you're entitled to your own opinion; you're not entitled to your own facts." [*Laughter*]

Economists tell us that the Recovery Act has helped stop the freefall in our economy and created or saved as many as 2 million jobs so far. And by the way, the actions of these critics speak louder than words, because many of the Members of Congress who voted against the Recovery Act, called it a boondoggle—funny how they end up making appearances at ribbon cuttings for Recovery Act projects. [*Laughter*] It's a sight to see. They're up there cheesing and grinning. [*Laughter*] They're trying to vote against their cake and eat it too. [*Laughter*]

Now, this is not to say that all of our troubles are over—far from it. We may have kept 2 million people from the unemployment line in this recession, but more than 8 million people

have lost their jobs. We may have broken the back of the recession. When I came in, this economy was contracting 6 percent; this past quarter it was growing 6 percent, a huge reversal. So the economy may be growing again, but that growth has not nearly made up for the terrible pain and dislocations that rocked businesses and families over the course of a very difficult 2 years.

So we've got a lot of work to do. And I'm here to tell you, I will not rest—I know Harry will not rest—until we're not just recovering, but we're prospering. I don't want Vegas just to be getting by; I want Vegas to be thriving. And I know that's what you want as well.

So that's why Harry and I are working to provide tax breaks for small businesses to spur hiring. That's why we're fighting for health insurance reforms to address the crushing costs of health insurance for small businesses and families. And that's why we've continued to seek ways to address the home mortgage crisis, which has touched all parts of this country, but has hit Las Vegas particularly hard.

In large part, the broader economic crisis we've experienced began as a home mortgage crisis. And the story is familiar to all of you. A lot of people got in over their heads, from homeowners on Main Street to large firms on Wall Street. And many more Americans found themselves in a terrible situation by no fault of their own, unable to pay a mortgage because of a lost job, but they're unable to sell or refinance because their mortgage debt is now higher than the value of their house; their home is underwater.

Now, Government has a responsibility to help deal with this problem. I've got to again repeat: Government can't stop every foreclosure. There's not enough money in the Treasury to stop every foreclosure. And we shouldn't be using tax dollars to reward the same irresponsible lenders or borrowers who helped precipitate the crisis. But what Government can do is to help responsible homeowners to stay in their homes. Government can stop preventable foreclosures. What we can do is stabilize the housing market so home values can begin to rise again.

So over the course of the past year, we've taken a number of steps to do just that. We've provided a tax credit for 1.4 million taxpayers to help them buy their first homes. We've made it possible for more than 1 million struggling homeowners to reduce monthly payments. And combined with our broader efforts to spur growth, stem job losses, and stabilize the financial system, we've helped promote recovery in the housing markets. In fact, in many markets, home values have begun to rebound.

But we've got a ways to go, especially in the hardest hit regions like Las Vegas, where there are just too many blocks littered with brown lawns and "for sale" signs, too many mortgage holders here are underwater, and where job losses continue to exact a terrible toll. So for these communities, recovery depends on continued responsible efforts to stop the downward spiral of defaults, foreclosures, and declining home values.

That's why earlier today I announced a \$1.5 billion investment in housing finance agencies in the States hardest hit by this housing crisis. And one of those States is Nevada. So that means that here in Nevada, we're going to be able to help prevent some foreclosures that otherwise would have happened. It's going to allow lenders to help homeowners who are underwater. And it will help folks who've taken out a second mortgage modify their loans.

So the goal is to target communities at the center of the crisis and to empower local agencies who know these communities best to structure and tailor their programs in ways that are most responsive.

Now, these are very difficult times for our country, times that demand we put aside the stale debates and the tired arguments, times that demand of us something more. The fact is, the economic crisis of the past 2 years—indeed the growing economic insecurity of the middle class that's been going on for a decade—was born not just of failures in our economic system. These challenges were also born of failures in our political system.

And while Harry has been fighting for us, too many folks in Washington have been putting off hard decisions. So for decades, we've watched as efforts to solve tough problems fall prey to gamesmanship and partisanship, to the prosaic concerns of politics, the ever-quickenening news cycle, to endless campaigns focused on scoring points instead of meeting our common challenges.

Imagine if you had to run a business like this, where the people who are in your office are constantly yelling at you, running ads against you, more interested in you failing than the company succeeding. That's what we've been seeing in Washington.

And it's got to stop, because the challenges have been mounting all around us: a health care system that saddles businesses and families with skyrocketing costs; an economy powered by fuels that are fuels of the 20th century instead of the 21st and endanger our planet and our security. We've got an education system unsuited for a global era and a financial system that has been rewarding reckless risks. And we've got a structural deficit that threatens to leave our children a mountain of debt.

So we've seen the consequences of this failure of responsibility, and the American people have paid a heavy price. The question we'll have to answer now is if we're going to learn from the past or if in the—even in the aftermath of disaster, we're going to repeat it. Because as the alarm bells fade and the din of Washington rises, the danger is, we just forget what happened, and we start thinking we should go back to business as usual. That won't work. It will not work in this global economy, not in this environment.

I said this during the State of the Union; I repeated it today in Henderson in my town hall: Other countries are not playing for second; they're playing for first. One of the things that I know is of great interest to Nevada is tourism and what are we doing for tourism promotion. I can tell you, Harry is going to be championing a tourism promotion bill because, as he points out, why is it that every other country is promoting their tourist industry and America is not doing enough for ours?

But that's just—[applause]—he's going to have strong support for that effort. But that's just one example of the competition that we're facing on everything. If China is producing 40 high-speed rail lines and we're producing 1, we're not going to have the infrastructure of the future. If India or South Korea are producing more scientists and engineers than we are, we will not succeed.

So I hope that all of us—Democrats, Republicans, public servants, and leaders in the business community—can keep alive a sense of seriousness, a sense of common purpose. That's how we can rise to this moment and transcend the failures of the past, tackle the challenges before us, and leave behind a nation that is more prosperous than ever before.

But it is going to take work, and I am going to need all of you to be partners with Harry and partners with myself in moving it forward. The days are over where we can keep on organizing ourselves along the lines of, business is here and labor is here and Government's over here. We are all in this together.

If businesses—[*applause*]—and nobody understands that more than Las Vegas. If the MGM's doing well, that means its workers are doing well. And if its workers are doing well, that means that the housing market is doing well. And if the housing market's doing well, then that means that small businesses all across the region are doing well, who in turn are hiring more workers.

That's the model that we've got to achieve. But it also means—in order for us to succeed, it also means that business, labor, Government, Democrats, Republicans, we can't be looking for every single edge or advantage on every single issue. At some points, we've got to be thinking about the larger good.

So if we're serious about reforming the health care system, we've got to be thinking, even if I've got health insurance—and by the way, I've got really good health insurance—[*laughter*]
—I've got a doctor who follows me around everywhere—[*laughter*]
—I've got to spend some time thinking about the people who don't have health insurance.

And I've also got to be thinking about the next generation that's picking up the bill for the health insurance that's currently being provided to me if I'm getting a benefit from the Government.

If I'm a business leader, I've got to be thinking about my shareholders and my bottom line, but I've also got to be thinking about the people who work for me, and I've got to be thinking about the larger community, and I've got to be thinking about the country.

That kind of leadership can't just come from the White House; it can't just come from the United States Senate; it's got to come from you. In fact, that's where it always comes from in America. The most profound changes, the most dynamic innovations, they don't happen from the top down, they happen from the bottom up.

But they always happen, not just because of some single individual with some great idea—although, a lot of times that's what drives innovation in our economy—it also comes from a culture of trust and mutual regard. America has always been a combination of fierce individualism but also a sense of community, the sense that we're looking out for one another.

And every single successful business leader here understands that's the kind of culture you've tried to build in your businesses. That's the kind of culture we have to reinvigorate all across America. I'm confident we can do so.

I am looking forward to coming back to Vegas. I think my mother-in-law's going to get here first. [*Laughter*] She comes quite frequently. I maybe shouldn't say that in front of the press. [*Laughter*]

But I want everybody here to have confidence that if we keep on working hard, we don't shy away from these tough challenges, and we're not looking backwards, we're looking forwards, then not only is Las Vegas going to thrive in the 21st century, not only is Nevada going to thrive in the 21st century, but all the United States of America is going to thrive.

Thank you very much, everybody. God bless you, and God bless America.

NOTE: The President spoke at 12:02 p.m. at the Aria Resort and Casino. In his remarks, he referred to James J. Murren, chairman of the board of directors and chief executive officer, MGM Mirage. He also referred to his mother-in-law Marian Robinson.

Categories: Addresses and Remarks : Las Vegas Chamber of Commerce and Las Vegas Convention and Visitors Authority in Las Vegas, NV.

Locations: Las Vegas, NV.

Names: Berkley, Shelley; Hogan, Joseph M.; Murren, James J.; Parks, David R.; Reid, Harry; Robinson, Marian; Titus, Alice "Dina".

Subjects: Budget, Federal : National debt; Business and industry : Banks and financial institutions :: Loans to small businesses, increase; Business and industry : Credit freeze situation ; Business and industry : Global competitiveness; Business and industry : Home loan industry; Business and industry : Small and minority businesses; Congress : Senate :: Majority leader; Economy, national : American Recovery and Reinvestment Act of 2009; Economy, national : Financial regulations, modernization efforts; Economy, national : Improvement ; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Economy, national : Travel and tourism :: Promotion efforts, proposed legislation; Education : School improvement and renovation; Employment and unemployment : Job creation and growth; Employment and unemployment : Job losses; Employment and unemployment : Unemployment insurance; Energy : Alternative and renewable sources and technologies; Energy : Solar and wind energy; Health and medical care : Cost control reforms ; Health and medical care : Cost control reforms; Health and medical care : Health insurance, protection of coverage; Health and medical care : Information technology; Health and medical care : Medical research :: Federal Government funding, increase; Housing : First-time home purchase, tax credit; Housing : Foreclosure rates; Housing : Helping Families Save Their Homes Act of 2009; Housing : Housing market :: Decline; Housing : Housing market :: Improvement; Housing : Private sector foreclosure avoidance programs ; Nevada : Las Vegas :: Housing market, decline; Nevada : Las Vegas :: Unemployment rate; Nevada : Las Vegas Chamber of Commerce; Nevada : Las Vegas Convention and Visitors Authority; Nevada : President's visit; Nevada : Tourism industry, decline; Science and technology : Global competitiveness; Taxation : Tax relief; Transportation : Highway system, modernization efforts; Transportation : Mass transit and rail infrastructure, improvement efforts; Veterans : Benefits.

DCPD Number: DCPD201000110.